

ORIGINAL

BEFORE THE ARIZONA CORPORATION COMMISSION RECEIVED **COMMISSIONERS** Arizona Corporation Commission 2010 JUL -2 A 9 50 DOCKETED 3 KRISTIN K. MAYES, Chairman **GARY PIERCE** JUL - 2 2010 4 AZ CORP COMMISSION **PAUL NEWMAN** DOCKET CONTROL SANDRA D. KENNEDY DOCKETED BY **BOB STUMP** 6 7 IN THE MATTER OF THE JOINT NOTICE AND DOCKET NO. T-01051B-10-0194 APPLICATION OF QWEST CORPORATION, T-02811B-10-0194 8 OWEST COMMUNICATIONS COMPANY, LLC, T-04190A-10-0194 **QWEST LD CORP., EMBARQ** T-20443A-10-0194 COMMUNICATIONS, INC. D/B/A CENTURY T-03555A-10-0194 LINK COMMUNICATIONS, EMBARO T-03902A-10-0194 10 PAYPHONE SERVICES, INC. D/B/A CENTURYLINK, AND CENTURYTEL 11 SOLUTIONS, LLC, FOR APPROVAL OF THE PROPOSED MERGER OF THEIR PARENT PROCEDURAL ORDER 12 CORPORATIONS, QWEST COMMUNICATIONS INTERNATIONAL INC., AND CENTURYTEL, 13 INC. 14 BY THE COMMISSION: 15 On May 13, 2010, Owest Corporation, Owest Communications Company, LLC, Owest LD 16 Corp., Embarg Communications, Inc. d/b/a CenturyLink Communications, Embarg Payphone 17 Services, Inc. d/b/a CenturyLink, and CenturyTel Solutions, LLC, (together, the "Joint Applicants"), 18 filed with the Arizona Corporation Commission ("Commission") a joint application for approval of 19 the proposed merger of the Applicants' respective parent corporations, Qwest Communication 20 International Inc., and CenturyTel, Inc. 21 On May 21, 2010, the Joint Applicants filed a Motion to Permit Kevin K. Zarling to Appear Pro Hac Vice. 22 23 On May 24, 2010, the Joint Applicants filed a Notice of Joint Filing of the Direct Testimony 24 of several of the Joint Applicants' witnesses. 25 On May 28, 2010, the Joint Applicants filed a Request for Scheduling Procedural Conference. On June 2, 2010, the Residential Utility Consumer Office ("RUCO") filed an Application to 26

S:\BMartin\POs\Telecom\Hrg\Qwest.100194.doc

Intervene.

27

28

On June 3, 2010, Cox Arizona Telcom, LLC, filed an Application to Intervene.

1	On June 7, 2010, tw telecom of arizona llc, filed an Application to Intervene.
2	On June 7, 2010, Integra Telecom filed an Application to Intervene.
3	On June 9, 2010 a Procedural Order was issued granting admission pro hac vice to Kevin K.
4	Zarling.
5	On June 9, 2010, a Procedural Order was issued setting a Procedural Conference in this matter
6	for June 22, 2010.
7	On June 10, 2010, the Communications Workers of American, AFL-CIO, CLC ("CWA")
8	filed its Application to Intervene.
9	On June 16, 2010, Level 3 Communications, LLC, filed its Application to Intervene.
10	On June 17, 2010, the Joint Applicants filed their Proposed Procedural Schedule, Form of
11	Public Notice, and Protective Order.
12	On June 17, 2010, McLeodUSA Telecommunication Services, Inc., d/b/a PAETEC Business
13	Services ("PAETEC") filed its Application to Intervene.
14	On June 18, 2010, Integra Telecom filed a Substitution of Counsel, stating that it is
15	substituting Roshka DeWulf & Patten, PLC, for the Law Office of Joan Burke, as its counsel.
16	On June 18, 2010, Integra Telecom and PAETEC filed their Procedural Comments and
17	Proposed Schedule of Integra and PAETEC.
18	On June 21, 2010, Pac-West Telecomm, Inc., filed its Application to Intervene.
19	On June 22, 2010, the United States Department of Defense and All Other Federal Executive
20	Agencies ("DOD") filed an Application to Intervene.
21	On June 22, 2010, 360networks (USA) inc. filed an Application to Intervene.
22	The Procedural Conference convened as scheduled and the parties appeared through counsel.
23	During the Procedural Conference, it was ruled that hearing is necessary in this matter and the parties
24	agreed on a procedural schedule for this matter. The Joint Applicants also indicated that they had no
25	objection to any of the Motions to Intervene.
26	On June 28, 2010, the Commission's Utilities Division Staff ("Staff") filed a Proposed Form
27	of Notice

Pursuant to A.A.C. R14-3-101, the Commission now issues this Procedural Order to govern the preparation and conduct of this proceeding.

IT IS THEREFORE ORDERED that the hearing in this matter shall be held on November 15, 2010, at 10:00 a.m., or as soon thereafter as is practical, at the Commission's offices, Hearing Room 1, 1200 West Washington Street, Phoenix, Arizona 85007.

IT IS FURTHER ORDERED that a telephonic Pre-Hearing Conference in this matter shall be held on November 12, 2010, at 10:00 a.m. The call-in number is 888-872-3769, then enter pass code 602-382-6234#. Parties may also attend in person at the Commission's Tucson offices, Room 222, 400 West Congress Street, Tucson, Arizona 85701.

IT IS FURTHER ORDERED that the Motions to Intervene of RUCO, Cox Arizona Telcom, LLC, tw telecom of arizona, llc, Integra Telecom, CWA, Level 3 Communications, LLC, PAETEC, Pac-West Telecomm, Inc., DOD, and 360networks (USA) inc., are hereby granted.

IT IS FURTHER ORDERED that **intervention** shall be in accordance with A.A.C. R14-3-105, except that all Motions to Intervene must be filed on or before **September 10, 2010**.

IT IS FURTHER ORDERED that any objections to any Motions to Intervene shall be filed on or before September 17, 2010.

IT IS FURTHER ORDERED that Staff and Intervenors shall file their **Testimony** on or before **September 27, 2010.**

IT IS FURTHER ORDERED that the **Joint Applicants** shall file their **Rebuttal Testimony** on or before **October 27, 2010**.

IT IS FURTHER ORDERED that Staff and Intervenors shall file their Surrebuttal Testimony on or before 12:00 p.m., November 10, 2010.

IT IS FURTHER ORDERED that the Applicants shall mail to each customer in the affected service area a copy of the notice set forth below and shall cause the notice to be published in a newspaper of general circulation in the affected service area, with publication and mailing to be completed no later than July 16, 2010.

IT IS FURTHER ORDERED that the Applicants shall file certification of mailing and publication as soon as practicable after the mailing/publication has been completed, but not later than August 6, 2010.

IT IS FURTHER ORDERED that notice shall be deemed complete upon mailing and publication of same, notwithstanding the failure of an individual customer or property owner to read or receive the notice.

IT IS FURTHER ORDERED the Joint Applicants shall provide public notice of the public comment meeting in this matter, in the following form and style with the heading in no less than 24-point bold type and the body in no less than 10-point regular type:

PUBLIC NOTICE OF THE HEARING ON THE JOINT NOTICE AND APPLICATION OF OWEST CORPORATION, QWEST COMMUNICATIONS COMPANY, LLC, QWEST LD CORP., EMBARQ COMMUNICATIONS, INC. D/B/A CENTURY LINK COMMUNICATIONS, EMBARQ PAYPHONE SERVICES, INC. D/B/A CENTURYLINK, AND CENTURYTEL SOLUTIONS, LLC, FOR APPROVAL OF THE PROPOSED MERGER OF THEIR PARENT CORPORATIONS, QWEST COMMUNICATIONS INTERNATIONAL INC., AND CENTURYTEL, INC. (DOCKET NOS. T-01051B-10-0194, T-02811B-10-0194, T-04190A-10-0194, T-20443A-10-0194, T-03555A-10-0194, T-03902A-10-0194)

Summary

On May 13, 2010, Qwest Corporation, Qwest Communications Company, LLC, Qwest LD Corp., Embarq Communications, Inc. d/b/a CenturyLink Communications, Embarq Payphone Services, Inc. d/b/a CenturyLink, and CenturyTel Solutions, LLC, (together, the "Applicants"), filed with the Arizona Corporation Commission ("Commission") a joint application for approval of the merger of their parent corporations, Qwest Communications International Inc. and CenturyTel, Inc. The Commission's Utilities Division ("Staff") has not yet made a recommendation regarding the Applicants' application, and the Commission is not bound by the proposals made by the Applicants, Staff, or any intervenors. The Commission will issue a decision regarding the Applicants' application following consideration of testimony and evidence presented at an evidentiary hearing.

How You Can View or Obtain a Copy of the Application

Copies of the application are available at the Applicants' offices, 20 East Thomas Road, 16th Floor, Phoenix, Arizona, 85012, and the Commission's offices at 1200 West Washington, Phoenix, Arizona, for public inspection during regular business hours and on the internet via the Commission website (www.azcc.gov) using the edocket function.

Arizona Corporation Commission Public Hearing Information

The Commission will hold a hearing on this matter beginning **November 15, 2010, at 10:00 a.m.,** or as soon thereafter as is practical, at the Commission's offices, Hearing Room 1, 1200 West Washington Street, Phoenix, Arizona 85007. Public comments will be taken on the first day of the hearing. Written public comments may be submitted via email (visit http://www.azcc.gov/divisions/utilities/forms/public_comment.pdf for instructions), or by mailing a letter referencing Docket Nos. T-01051B-10-0194, T-02811B-10-0194, T-04190A-10-0194, T-20433A-10-0194, T-03555A-10-0194, and T-03902A-10-0194 to: Arizona Corporation Commission, Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007. If you require assistance, you may contact the Consumer Services Section at (800) 222-7000 or (602) 542-4251.

About Intervention

The law provides for an open public hearing at which, under appropriate circumstances, interested parties may intervene. Any person or entity entitled by law to intervene and having a direct and substantial interest in the matter will be permitted to intervene. If you would like to intervene, you must file a written motion to intervene with the Commission no later than September 10, 2010. You must send copies of the motion to the Applicants or its counsel, and to all parties of record in the case. Your motion to intervene must contain the following:

- 1. Your name, address, and telephone number, and the name, address, and telephone number of any party upon whom documents are to be served in your place, if desired;
- 2. A short statement of your interest in the proceeding (e.g., a customer of the Applicants, a shareholder of the Applicants, etc.); and
- 3. A statement certifying that a copy of your motion to intervene has been mailed to the Applicants or its counsel and to all parties of record in the case.

The granting of motions to intervene shall be governed by A.A.C. R14-3-105, except that all motions to intervene must be filed on or before September 10, 2010. If representation by counsel is required by Rule 31 of the Rules of the Arizona Supreme Court, intervention will be conditioned upon the intervenor obtaining counsel to represent the intervenor. For information about requesting intervention, visit the Arizona Corporation Commission's webpage at http://www.azcc.gov/divisions/utility/forms.asp. The granting of intervention, among other things, entitles a party to present sworn evidence at hearing and to cross-examine other witnesses. However, failure to intervene will not preclude any customer from appearing at the hearing and making a statement on such customer's own behalf.

ADA/Equal Access Information

The Commission does not discriminate on the basis of disability in admission to its public meetings. Persons with a disability may request a reasonable accommodation such as a sign language interpreter, as well as request this document in an alternative format, by contacting the ADA Coordinator Carolyn Buck, E-mail CDBuck@azcc.gov, voice phone number 602/542-3931. Requests should be made as early as possible to allow time to arrange the accommodation.

1 2

IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113-Unauthorized Communications) continues to apply to this proceeding as the matter is set for public hearing.

IT IS FURTHER ORDERED that all parties must comply with Rules 31 and 38 of the Rules of the Arizona Supreme Court and A.R.S. § 40-243 with respect to practice of law and admission *pro hac vice*.

IT IS FURTHER ORDERED that the intervention granted herein is conditioned upon the intervenor obtaining counsel to represent the intervenor if required by Rule 31 of the Rules of the Arizona Supreme Court, and such counsel filing a notice of appearance with the Commission, within 30 days of the date of this Procedural Order.

IT IS FURTHER ORDERED that withdrawal of representation must be made in compliance with A.A.C. R14-3-104(E) and Rule 1.16 of the Rules of Professional Conduct (under Rule 42 of the Rules of Arizona Supreme Court). Representation before the Commission includes appearances at all hearings and procedural conferences, as well as all Open Meetings for which the matter is scheduled for discussion, unless counsel has previously been granted permission to withdraw by the Administrative Law Judge or the Commission.

IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113 - Unauthorized Communications) applies to this proceeding and shall remain in effect until the Commission's Decision in this matter is final and non-appealable.

. . .

) | . . .

...

...

• • • •

[...

S:\BMartin\POs\Telecom\Hrg\Qwest.100194.doc

1 IT IS FURTHER ORDERED that the Administrative Law Judge may rescind, alter, amend, 2 or waive any portion of this Procedural Order either by subsequent Procedural Order or by ruling at 3 hearing. DATED this / day of July, 2010. 4 5 6 ADMINISTRATIVE LAW JUDGE 7 8 Copies of the foregoing mailed this /sr day of July, 2010, to: 9 10 Jeffrey W. Crockett Daniel W. Pozefsky, Bradley S. Carroll Chief Counsel 11 SNELL & WILMER, L.L.P. RESIDENTIAL UTILITY **CONSUMER OFFICE** One Arizona Center 12 400 East Van Buren Street 1110 West Washington, Suite 220 Phoenix, AZ 85004 Phoenix, AZ 85007 13 Attorneys for Century Link Michael Patton 14 Kevin K. Zarling, ROSHKA DEWULF & PATTEN, PLC Senior Counsel One Arizona Center 15 CENTURYLINK 400 West 15th Street, Suite 315 400 East Van Buren, Suite 800 Phoenix, AZ 85004 16 Austin, TX 78701 Attorneys for Cox Arizona Telcom, Level 3 Communications, PAETEC, 17 Linda C. Stinar, and Integra Telecom **Director Regulatory Affairs** 18 CENTURYLINK Mark A. DiNunzio 6700 Via Austi Parkway COX ARIZONA TELCOM, LLC 19 Las Vegas, NV 89119 1550 West Deer Valley Road MV DV3-16, Bldg C 20 Phoenix, AZ 85027 Norman G. Curtright, Associate General Counsel, 21 **QWEST CORPORATION** Gregory Merz 20 East Thomas Road, 16th Floor GRĂY, PLANT, MOOTY, MOOTY BENNETT, P.A. 22 Phoenix, AZ 85012 Attorney for Owest 500 IDS Center 23 80 South Eighth Street David L. Ziegler, Minneapolis, MN 55402 24 Assistant Vice President-Public Policy Karen L. Clauson, **OWEST** 25 20 East Thomas Road, 16th Floor Vice President, Law and Policy Phoenix, AZ 85012 INTEGRA TELECOM 26 6160 Golden Hills Drive Golden Valley, MN 55416 27

1	Gregory L. Rogers
2	LEVEL 3 COMMUNICATIONS, LLC 1025 Eldorado Boulevard
3	Broomfield, CO 80021
4	Rogelio Peña PEÑA & ASSOCIATES, LLC
5	4845 Pearl East Circle, Suite 101 Boulder, CO 80301
6	William A. Haas,
7	Vice President of Public Policy & Regulatory PAETEC HOLDING GROUP One Morthe's Way
8	One Martha's Way Hiawatha, IA 52233
9	Joan S. Burke
10	LAW OFFICE OF JOAN S. BURKE 1650 North First Avenue
11	Phoenix, AZ 85003 Attorney for tw telecom llc,
12	and Pac-West Telecomm
13	James C. Falvey, Senior Regulatory Counsel
14	PAC-WEST TELECOM, INC. 420 Chinquapin Round Road, Suite 2-I
15	Annapolis, MD 21401
16	Nicholas J. Enoch Jarrett J. Haskovec
17	LUBIN & ENOCH, P.C. 349 North Fourth Avenue
18	Phoenix, AZ 85003 Attorneys for Communications Workers of
ا 19	American and AFL-CIO, CLC
20	Scott J. Rubin 333 Oak Lane
21	Bloomsburg, PA 17815
22	Stephen S. Melnikoff General Attorney
23	REGULATORY LAW OFFICE (JALS-RL) U.S. Army Litigation Center
24	901 North Stuart Street, Suite 700 Arlington, VA 22203-1837
25	Attorney for DOD
26	Harry Gildea SNAVELY, KING, MAJOROS
27	O'CONNOR & BEDELL, INC. 1111 14 th Street, N.W., Suite 300
	Washington D.C. 20005

Michel Singer-Nelson 360NETWORKS (USA) INC. 270 Interlocken Boulevard, Suite 600 Broomfield, CO 80021

Penny Stanley 360NETWORKS (USA) INC. 370 Interlocken Boulevard, Suite 600 Broomfield, CO 80021

Janice Alward, Chief Counsel Legal Division ARIZONA CORPORATION COMMISSION 1200 West Washington Street Phoenix, Arizona 85007

Steven M. Olea, Director Utilities Division ARIZONA CORPORATION COMMISSION 1200 West Washington Street Phoenix, Arizona 85007

ARIZONA REPORTING SERVICE, INC. 2200 N. Central Avenue, Suite 502 Phoenix, Arizona 85004-1481

Belinda A Martin